Exhibit 1

1	UNITED STATES DISTRICT COURT
2	NORTHERN DISTRICT OF CALIFORNIA
3	SAN JOSE DIVISION
4	
5	IN RE: HIGH-TECH EMPLOYEE)
6	ANTITRUST LITIGATION)
7) No. 11-CV-2509-LHK
8	THIS DOCUMENT RELATES TO:)
9	ALL ACTIONS.)
10	
11	
12	VIDEO DEPOSITION OF DEBORAH STREETER
13	ATTORNEYS' EYES ONLY
14	April 5, 2013
15	
16	Reported by: Anne Torreano, CSR No. 10520
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1 -- to administer it, then yes. But the managers are the ones who make the decisions based off 2 what people get paid. 3 And that's right. I wasn't asking for who 4 makes the decision. I was just trying to understand 10:24:46 5 6 organizationally where the -- where the infrastructure 7 is. 8 Α. Yes, that's my department. Now, I think you identified equity as a 9 Q. separate element of compensation. 10:24:58 10 11 Α. Correct. 12 Q. What is your responsibility with respect to that equity element of compensation? When I say 13 "your," I mean Total Rewards and the organization that 14 10:25:10 15 you supervise. Once again, we determine the -- the strategy. 16 And when you say the -- you determine the 17 Q. strategy, what do you mean? 18 19 We determine whether we're going to -- you 10:25:24 20 know, what -- what vehicle of equity we would give, whether that's restricted stock or options. We also 21 give guidelines of what that would be based off market 22 23 data. Okay. And then the -- at least with respect 24 Q.

10:25:38 25

to that element, individual determinations is -- is

1 somewhere else in the organization? 2 Α. Exactly. At the manager level? 3 Ο. 4 Α. Yes. 10:25:44 5 Q. Okay. 6 Α. Let me clarify that. 7 13 Okay. Are you familiar with the term "focal"? Q. 14 Α. Yes. 10:26:13 15 Q. What is "focal" as is used at Adobe? A. The annual review process. 16 Q. And what -- can you describe for me -- so I've 17 got the right terminology --18 A. Mm-hmm. 19 10:26:23 20 -- the relationship of focal to Total Rewards? Q. A. So focal -- so focal consists of -- at that --21 you know, currently now it's different. So let me just 22 23 say that. 24 Q. Okay. So focal would be when the manager has the 10:26:41 25 A.

1 conversation, writes the performance review, evaluates their people based off of performance, has a 2 conversation, and also makes their compensation and any 3 equity recommendations or bonus recommendations. 4 That's what focal is. 10:26:58 5 6 Q. And how -- what's -- and then how does that 7 process -- how do the people who are responsible -strike that. 8 9 Are you responsible for -- for administering 10:27:10 10 the focal process? Α. Just the compensation and equity piece of the 11 12 focal process. Okay. And are you responsible within your 13 organization generally for establishing the schedule 14 10:27:22 15 for the focal review? In partnership with, you know, learning and 16 development, because they own the performance 17 18 management piece. 19 Okay. So for example, when -- when managers 10:27:35 20 do performance reviews of the people that report to them --2.1 22 Α. Correct. 23 -- do they provide that information to you or your Total Rewards organization in some way? 24 10:27:43 25 They don't provide the actual documentation to Α.

1 Total Rewards. They provide that -- they write it up. They provide it to their employee. Then they submit 2 it. Then it goes to data management, and it's filed in 3 their file. 4 10:27:57 5 Q. Okay. 6 Α. If they use performance rankings, then that is 7 actually fed to Total Rewards just to put into our 8 system. Okay. And we'll probably touch on this in a 10:28:10 10 little bit more detail, but we talked a little bit about salary ranges. 11 12 Α. Correct. Okay. And is it -- is it fair to say that for 13 each job code, there is a salary range established? 14 10:28:28 15 Α. Yes. 16 Okay. And so from year to year an employee, without a change in title, may have their base 17 compensation changed by some kind of move within the 18 19 established salary range? 10:28:42 20 MR. KIERNAN: Object to form. THE WITNESS: So that's -- so there would be 21 movement based off of performance of the company's 22 23 ability to pay during a merit process, promo, something like that. 24 10:28:58 25 BY MR. SAVERI:

	1	Q. Okay. Who kind of organizationally, if
	2	someone, based on their performance and the economic
	3	kind of conditions of of the world that are so
	4	that a salary increase is permitted at some budget
10:29:12	5	level, who makes organizationally who makes the
	6	determination of a change of base compensation within a
	7	salary range at Adobe?
	8	A. Managers.
	9	Q. Okay. And what is your responsibility in
10:29:23	10	Total Rewards for that?
	11	A. We just provide the guidelines, determine how
	12	much money the company can afford, provide guidelines
	13	to the managers, train the managers on performance
		of the managers, crain the managers on performance
	14	management, and then the managers make the decisions.
10:29:36	14	
10:29:36	14	management, and then the managers make the decisions.
10:29:36	14 15	management, and then the managers make the decisions. Q. Okay. And when they make the decisions, they
10:29:36	14 15 16	management, and then the managers make the decisions. Q. Okay. And when they make the decisions, they tell you or Total someone within your organization?
10:29:36	14 15 16 17	management, and then the managers make the decisions. Q. Okay. And when they make the decisions, they tell you or Total someone within your organization? A. Well, they would put it in a system or a tool.
10:29:36	14 15 16 17 18	management, and then the managers make the decisions. Q. Okay. And when they make the decisions, they tell you or Total someone within your organization? A. Well, they would put it in a system or a tool. Q. Okay. Does your organization also look at
	14 15 16 17 18	management, and then the managers make the decisions. Q. Okay. And when they make the decisions, they tell you or Total someone within your organization? A. Well, they would put it in a system or a tool. Q. Okay. Does your organization also look at these issues kind broadly and make you know,
	14 15 16 17 18 19 20	management, and then the managers make the decisions. Q. Okay. And when they make the decisions, they tell you or Total someone within your organization? A. Well, they would put it in a system or a tool. Q. Okay. Does your organization also look at these issues kind broadly and make you know, report out metrics on compensation decisions?
	14 15 16 17 18 19 20 21	management, and then the managers make the decisions. Q. Okay. And when they make the decisions, they tell you or Total someone within your organization? A. Well, they would put it in a system or a tool. Q. Okay. Does your organization also look at these issues kind broadly and make you know, report out metrics on compensation decisions? MR. KIERNAN: Object to form.
	14 15 16 17 18 19 20 21 22	<pre>management, and then the managers make the decisions. Q. Okay. And when they make the decisions, they tell you or Total someone within your organization? A. Well, they would put it in a system or a tool. Q. Okay. Does your organization also look at these issues kind broadly and make you know, report out metrics on compensation decisions? MR. KIERNAN: Object to form. BY MR. SAVERI:</pre>

1	Do you do you track the per in Total
2	Rewards the performance ratings of particular managers?
3	A. I don't know I don't know what you mean by
4	"tracking."
10:30:26 5	Q. Well, for example, are there are there
6	managers who make performance ratings of the people
7	that report to them?
8	A. Yes.
9	Q. And so in connection with that, they they
10:30:40 10	divide or put their reports into certain groups based
11	on performance?
12	A. They
13	Q. They there are there are people who are
14	underperforming and there are top performers?
10:30:50 15	A. Correct.
16	Q. And do you at Total Rewards track or provide
17	kind of statistical analysis of, for example, how
18	how many people are being put into each category by a
19	manager in a particular year?
10:31:05 20	A.
	We can run a report to show how the bell
22	curve came out.
23	Q. Okay.
24	A. But we don't do anything with it.
10:31:17 25	Q. Okay. Okay. Just let me just make sure

	1 1'	I've covered this.		
	2		Is everybody at Adobe in the Total Rewards	
	3 sy	stem?		
	4	Α.	Everybody at Adobe in the Total Rewards	
10:31:45	5 sy	stem.	Yes.	
	6	Q.	And I think you said	
	7	Α.	Well, let me so let me clarify. Sorry.	
	8		Regular Adobe employees, yes.	
	9	Q.	Yeah. Okay. Fair enough.	
10:31:53 1	.0		And you said a minute ago that the Section 16	
1	.1 of	ficers	s, or at least with respect to their	
1	.2 cc	mpensa	ation, are treated a little bit differently than	
1	.3 ev	eryboo	dy else?	
1	.4	A.	I didn't say they'd be treated differently.	
10:32:03 1	.5 Th	ey're	just handled	
1	.6	Q.	Okay. They're separate	
1	.7	A.	They go they go to the board for approval.	
1	.8	Q.	And that's really what I was getting at.	
1	.9 Th	ere's	a separate process for approving the Section 16	
10:32:12 2	0 of	ficer	compensations?	
2	1	A.	Yes.	
2	2	Q.	And does that include the compensation	
2	3 cc	mmitte	ee of the board?	
2	4	A.	Yes.	
10:32:16 2	5	Q.	Okay. Do do you at Total Rewards support	

1 So we didn't do any -- I think -- we didn't do Α. any analysis to say -- we don't have that data. 2 3 Q. Okay. 4 Α. So the managers are the ones that know the 11:26:33 5 performance. 6 So even if we looked at analysis, I would have 7 no idea whether the -- what the performance is of every 8 single of employee. Managers own that. 9 Did you -- did your organization manage the 11:26:48 10 managers at all with respect to their compensation decisions? 11 12 We give guidance and we give guidelines, but 13 managers ultimately own the budgets. They own those 14 decisions. They own their people. 11:26:59 15 Okay. Did -- did your organization provide Ο. any kind of statistical work or -- or perform any kind 16 of -- determine metrics, for example, that -- that 17 tried to quantify which managers were more -- more 18 likely than others to give raises? 19 11:27:26 20 Not that I recall. Because like I said, our -- our team, my organization would have no idea, 21 even with that data, what that would mean. 22 23 Ο. Okay. Are you familiar with the term "internal equity"? 24

Α.

Yes.

11:27:45 25

=	Q. Okay. What do you understand the term
2	"internal equity" to mean with respect to compensation?
3	A. Internal equity means that you allow it's a
4	data point that we make sure managers understand,
11:28:00	because they need to understand that based off of
6	performance, where do people sit in their ranges.
•	So if you hire somebody, right, that's going
8	to let's say asking for \$10,000 more. You look at
<u>-</u>	your internal equity of your own organization, and if
11:28:18 10	you have some high-performing people that are making
11	less than a 10,000, are they comfortable hiring
12	somebody that they don't know what their performance is
13	higher than somebody that does.
14	So it's a data point for managers to look at
11:28:31 15	all the facts.
16	Q. Were there metrics or analysis that you did to
17	either measure or confirm or guarantee that the
18	principle of internal equity that you just described
19	was something that was being implemented and followed
11:28:47 20	by managers at Adobe?
23	A. I would have no idea how we would ever do
22	that.
23	Q. Okay. When was Omniture acquired?
24	A. Now you're testing my memory.
11:29:04 25	Q. Maybe do it this way: Were you did you

1 have Total Rewards responsibility when Omniture was -was acquired? 2 3 Α. Yes. Okay. Let's just leave it at that. 4 Q. 11:29:12 5 Α. Thank you. Okay. So do you recall what the workforce was 6 Q. 7 at Omniture prior to acquisition? What do you mean by "workforce"? 8 Α. 9 Well, how many people worked at Omniture 11:29:24 10 before it was -- let's back up. 11 Was Omniture acquired by Adobe during the 12 period of time that you were responsible for Total 13 Rewards? 14 Α. Yes. 11:29:33 15 Okay. At the time that Omniture was acquired Q. by Adobe, how many people worked at Omniture? 16 I don't know specifically. 17 Α. Q. Or order of magnitude? 18 Maybe 1,500, 2,000. 19 A. 11:29:46 20 Ο. And at that time, what was the workforce at Adobe? 2.1 Maybe seven, eight thousand, somewhere in 22 Α. 23 there. Okay. So after the acquisition of Omniture, 24 Q. 11:30:02 25 were the -- or were -- strike that.

1	probably punched a hole right where the pages are.
2	MR. KIERNAN: Oh, okay. That's okay.
3	MR. SAVERI: Page 6. I gotcha.
4	THE WITNESS: Okay. What is the title?
12:08:51 5	MR. SAVERI: Thanks.
6	MR. KIERNAN: See, if you look here.
7	THE WITNESS: Yep. I just wanted to make sure
8	he
9	MR. KIERNAN: Yeah, yeah. Oh, good point.
12:08:57 10	MR. SAVERI: It's a combination for me, if I
11	punched a hole there and my eyes are bad. So I'm like
12	a, you know, old dog here or something.
13	BY MR. SAVERI:
14	Q. So do you see the page that says "Total
12:09:04 15	Rewards Philosophy"?
16	A. Yes.
17	Q. Okay. So let me ask you let me read it to
18	you.
19	It says, "Provide market competitive rewards
12:09:12 20	allowing us to attract and retain great global talent
21	and differentiate based on exceptional company and
22	individual performance."
23	Do you see that?
24	A. Yes.
12:09:21 25	Q. Did you write that?

	1	A. Yes.
	2	Q. To the best of your recollection, did you
	3	believe that was the philosophy of Total Rewards at the
	4	time?
12:09:30	5	A. Yes. It's always been the philosophy. We've
	6	always had a pay-for-performance and differentiation
	7	philosophy.
	8	All we did is in the past it was a much longer
	9	version of saying it, so we just tried to simplify it
12:09:47 1	.0	to actually hit home that, you know, it's a
1	.1	differentiation and performance philosophy.
1	.2	Q. Okay. And then when you prepared this deck,
1	.3	you wanted part of the purpose was to educate other
1	.4	people at Adobe about that?
12:10:00 1	.5	A. Well, not necessarily educate on the
1	.6	pay-for-performance, but educate on our programs in
1	.7	general.
1	.8	Q. Okay.
1	.9	A. When you have a lot of programs that you
12:10:06 2	20	offer, people sometimes forget what you offer.
2	1	Q. Okay. And then in the next slide, you talk
2	22	about market competitive rewards. And you list a
2	23	number of companies.
2	24	What did you mean well, what's this slide
12:10:20 2	25	supposed to show? What did did you create this

1	slide?	
2	A.	I did.
3	Q.	And what did you mean what did you what
4	did you	intend this slide to show?
12:10:27 5	A.	This just shows you who our direct peers and
6	our refe	erence peers are so people know from the
7	landscap	e who we are thinking our competitors are.
8	Q.	Okay. Now, on the next page, it there's a
9	slide th	at says "Total Rewards-Future State."
12:10:46 10		Do you see that?
11	Α.	Yeah.
12	Q.	And did you write this slide, too?
13	A.	Yes.
14	Q.	Okay. So let me ask you some questions about
12:10:52 15	this.	
16		You have a heading, "Competitive Position."
17		Do you see that?
18	Α.	Yes.
19	Q.	And then underneath it, it says, "Overall
12:11:03 20	programs	s target 60 to 65th percentile."
21	Α.	Correct.
22	Q.	Do you see that?
23		What did what did you mean by that?
24	A.	Well, just like we talked about earlier, when
12:11:11 25	it comes	to the market data, there's various different

1 MR. KIERNAN: Last -- last sentence. Here. Turn it over. Start here, "Additionally." 2 3 THE WITNESS: Oh, okay. 4 BY MR. SAVERI: 01:52:19 5 Ο. Let me read it to you. Do you see where it says "Additionally"? 6 7 Α. Yes. 8 Q. Let me read it to you again. It says, 9 "Additionally, due to the required salary to attract," 01:52:26 10 and then it flips over. 11 You with me? 12 Α. Yes. 13 -- "the narrow pool of candidates, the issue of internal equity, new hires versus existing employees 14 01:52:33 15 within some of the specialized groups, including internal audit and revenue recognition, has increased." 16 Do you see that? 17 Α. Yes. 18 19 Do you know what that refers to? Can you Q. 01:52:44 20 explain that to me? I didn't write the document, so I -- I 2.1 can't -- I can't speak to it. 22 23 Q. Well, let me ask you generally. Were there situations from time to time where 24 01:53:10 25 Adobe had to -- was required to pay more to attract

1 candidates because they were relatively special or unique or desirable? 2 3 I can't say that's never happened. Okay. Well -- and in -- in those situations, 4 Q. did Adobe sometimes -- well, in those situations was --01:53:35 5 6 were there -- was Adobe concerned about internal equity 7 issues? Well, like I talked about earlier, we always 8 A. 9 look at internal equity as a data point, because if you 01:53:55 10 are going to go hire somebody externally that's making somebody -- who's making more than somebody who's an 11 12 existing employee that's a high performer, you need to 13 know that before you bring them in. 14 Were there situations where -- following that Ο. 01:54:09 15 along -- where the --16 Α. Okay. -- where the person was brought in, that the 17 person at Adobe learned of the -- of the compensation 18 and -- and asked for a raise in order to be treated 19 01:54:23 20 fairly? 2.1 Α. I can't speak to that. 22 Okay. Did that ever happen at Adobe? Q. 23 Α. I have no idea. 24 Q. Okay. 01:55:02 25 (DEPOSITION EXHIBIT 2809 MARKED.)

1	BY MR. SAVERI:
2	Q. I've handed you what's been marked as Exhibit
3	2809, ADOBE_060278 to 279.
4	Will you take a moment to look at that,
01:55:27 5	please?
6	A. Yes.
7	Okay.
8	Q. Let me draw your attention to the top of the
9	first page, which is an e-mail from you to someone
01:56:29 10	named Mark Garrett dated April 26th, 2007.
11	Do you see that?
12	A. Yes.
13	Q. Did you write this e-mail to Mr. Garrett on or
14	about the date that's indicated here?
01:56:39 15	A. I guess so.
16	Q. Okay. At the end of the document, it's
17	signed, "Thanks, Debbie Streeter, Director, Human
18	Resources."
19	Do you see that?
01:56:45 20	A. Yes.
21	Q. That's you; right?
22	A. Yes.
23	Q. Okay. On that same last page, there's a
24	section entitled "Employee Attrition."
01:56:52 25	Do you see that?

1	BY MR. SAVERI:
2	Q. We've talked a a little bit today about
3	adjustments in base salaries for excuse me for
4	individual people, and we've also talked about salary
04:04:52 5	ranges for for jobs.
6	From time to time, did Adobe adjust or change
7	salary ranges for particular jobs?
8	A. Adobe, no.
9	Q. I guess I don't understand your answer.
04:05:18 10	Is it your testimony that Adobe never changed
11	salary ranges for particular jobs?
12	A. We do the market data to say to change
13	salary ranges, yes. So I thought you meant did we make
14	adjustments, but I think you put the two together.
04:05:38 15	Q. Okay. No.
16	A. So
17	Q. Maybe I maybe I did.
18	MR. KIERNAN: It was a compound question.
19	MR. SAVERI: Maybe I didn't didn't ask
04:05:43 20	maybe I didn't ask the question correctly.
21	MR. KIERNAN: And I was being nice by not
22	objecting.
23	MR. SAVERI: So but so
24	MR. KIERNAN: Perhaps just ask the question
04:05:56 25	about salary ranges

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1
                      MR. SAVERI:
                                   Yeah.
                       MR. KIERNAN: -- itself.
          2
          3
                       MR. SAVERI: And so my question is about
          4
              salary ranges.
04:05:59
          5
                       THE WITNESS: Okay.
          6
                       MR. KIERNAN:
                                     Okay.
          7
              BY MR. SAVERI:
                       Did Adobe change salary ranges from time to
          8
                  Q.
          9
              time?
04:06:03 10
                       Yes, based on market data.
                  Α.
                       And how -- can you describe for me the process
         11
                  Q.
         12
              of change -- that Adobe would go through about
         13
              determining whether or not to change salary ranges?
         14
                  Α.
                       So we talked about it earlier today. You
04:06:14 15
              would go ahead and get the market data from Radford or
         16
              iPass or both. You go ahead -- my team would then take
                              They go ahead and load it up, and then
         17
              that analysis.
              they create salary ranges based off of that for every
         18
              single job code that we have.
         19
04:06:28 20
                  Ο.
                       Okay.
                              Well, how would --
                       MR. KIERNAN: Remember the 65th percentile --
         2.1
                       MR. SAVERI: Okay. But -- but --
         22
         23
                       MR. KIERNAN: -- point?
              BY MR. SAVERI:
         24
                       So I guess my question is, how did the
04:06:39 25
                  Q.
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1 calculation of the 65th percentile equate to changes in -- in the maximum and minimum for a particular job 2 title, which was the salary range? 3 A. So you got a salary range. The midpoint is 4 the 65th. 04:06:57 5 6 **O**. Okay. 7 And then remember we talked earlier today about the spread? 8 9 Q. Right. 04:07:01 10 A. So the spread would either be 64 or 60 percent or 70 percent. So you take the midpoint and then you 11 12 do the spread. 13 Ο. Who determined whether the -- who determined 14 the spread? 04:07:11 15 We talked about that earlier. My team Α. determines the spread. 16 Okay. And how did you determine whether the 17 Q. spread should be 60 percent or 64 percent or something 18 like that? 19 04:07:21 20 We -- we look at market data to see, and then we just determine what we feel is the right thing. 21 Like I said, it -- it's just a guideline, so 22 23 it doesn't really matter. Right. 24 Q. 04:07:29 25 And so in terms of organizational kind of

1	approval, was there someone above you, like Donna
2	Morris or someone else, that had to approve changes in
3	the ranges for particular jobs as opposed to
4	A. Yeah, we we change thousand of thousands
04:07:51 5	of job salary ranges every year. No, she does not look
6	at those.
7	Q. Okay. And that but that was your
8	department that was responsible for doing that?
9	A. Correct.
04:07:58 10	Q. Do you have any recollection or idea about the
11	extent to which exceptions for base salary outside
12	established salary ranges happened?
13	MR. KIERNAN: Object to form.
14	THE WITNESS: I have no idea. I don't
04:08:42 15	BY MR. SAVERI:
16	Q. Was that tracked?
17	A. Could we report on it? Yes. Do I think we
18	tracked it for any purpose? No.
19	Q. Okay. Are you familiar with the term "salary
04:09:00 20	matrix"?
21	A. Yes.
22	Q. What's a salary metrics?
23	A. Matrix.
24	Q. Matrix.
04:09:05 25	A.

1	Q. Were there other occasions when leveling
2	recommendations were made by people at the company
3	where those leveling recommendations were, in fact,
4	implemented by managers?
05:29:42 5	A. Yeah. Yes.
6	Q. Okay.
7	A. But the managers make those decisions.
8	Q. Okay. But my question was whether they were
9	implemented, not who made the decisions.
05:29:52 10	A. Yes.
11	MR. SAVERI: Okay. All right.
12	MR. KIERNAN: That's all I have.
13	THE VIDEOGRAPHER: This is the end of disk No.
14	4 in the deposition of Debbie Streeter.
05:30:01 15	The four original disks will be retained by
16	Jordan Media.
17	We are off the record at 5:30 p.m.
18	(DEPOSITION ADJOURNED AT 5:30 P.M.)
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21	
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25	

Case 5:11-cv-02509-LHK Document 446-1 Filed 06/22/13 Page 24 of 84

Deposition of Deborah Streeter

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

1	
2	I certify under penalty of perjury that the foregoing
3	is true and correct.
4	
5	Date
6	DEBORAH STREETER
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Τ	REPORTER'S CERTIFICATE
2	I, Anne Torreano, Certified Shorthand Reporter
3	licensed in the State of California, License No. 10520,
4	hereby certify that the deponent was by me first duly
5	sworn, and the foregoing testimony was reported by me
6	and was thereafter transcribed with computer-aided
7	transcription; that the foregoing is a full, complete,
8	and true record of said proceedings.
9	I further certify that I am not of counsel or
LO	attorney for either or any of the parties in the
L1	foregoing proceeding and caption named or in any way
L2	interested in the outcome of the cause in said caption.
L3	The dismantling, unsealing, or unbinding of
L4	the original transcript will render the reporter's
L5	certificates null and void.
L6	In witness whereof, I have subscribed my name
L7	this 16th day of April, 2013.
L8	
L9	[X] Reading and Signing was requested.
20	[] Reading and Signing was waived.
21	[] Reading and Signing was not requested.
22	
23	
24	ANNE M. TORREANO, CSR No. 10520
25	

Exhibit 2

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

1	UNITED STATES DI	STRICT COURT
2	NORTHERN DISTRICT	OF CALIFORNIA
3	SAN JOSE DI	VISION
4		
5		
6	IN RE: HIGH-TECH EMPLOYEE)
7	ANTITRUST LITIGATION)
8) No. 11-CV-2509-LHK
9	THIS DOCUMENT RELATES TO:)
10	ALL ACTIONS.)
11)
12		
13		
14		
15	VIDEO DEPOSITION OF S'	TEVEN BURMEISTER
16	March 15,	2013
17		
18		
19	REPORTED BY: GINA V. CARBON	E, CSR NO. 8249, RPR, CCRR
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KRAMM COURT REPORTING

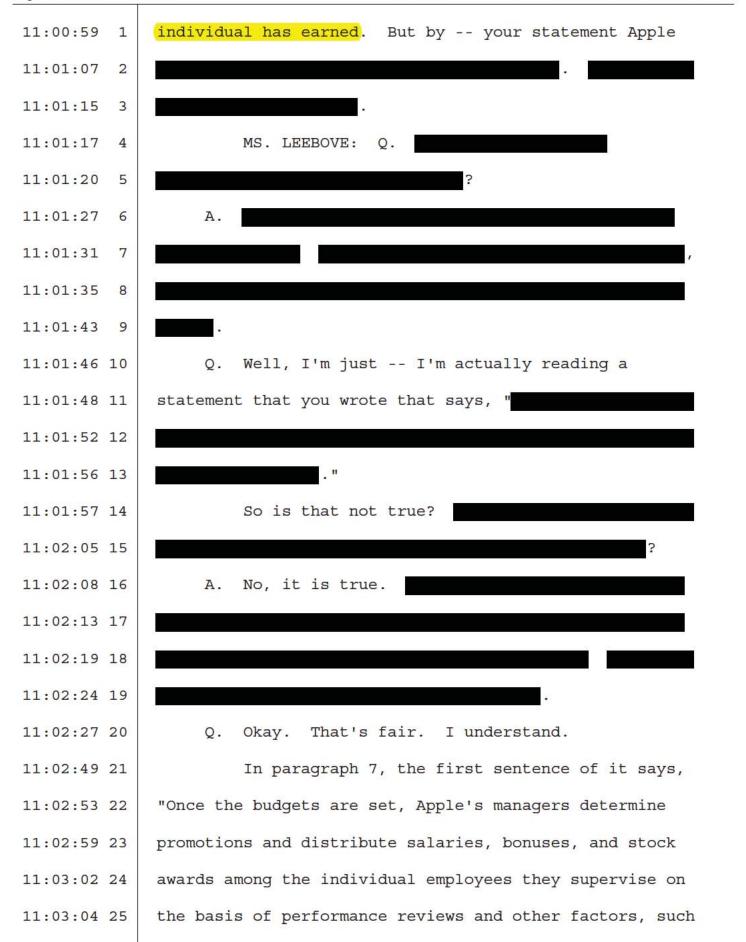
10:40:26 1	Q. of of what?
10:40:30 2	A. I was referring to number of RSUs.
10:40:42 3	Q. So on this chart, as I read it, it says:
10:40:48	
10:40:53 5	
10:40:57	
10:41:01 7	A. Yes.
10:41:02 8	Q. But an but an actual grant could be above
10:41:07 9	or below depending on that vice president's
10:41:13 10	performance or depending on a vice president's
10:41:16 11	performance?
10:41:17 12	A. It could be based on a number of factors,
10:41:24 13	performance being the main, probably, decision factor we
10:41:28 14	like managers to consider.
10:41:36 15	Q. What are the
10:41:39 16	there are two columns here. There is a
10:41:41 17	column for
10:41:45 18	and various numbers listed under
10:41:47 19	them. Are those are those numbers minimums,
10:41:57 20	maximums? Are they well, are they minimums?
10:42:09 21	MR. RILEY: Object to the form.
10:42:09 22	MS. LEEBOVE: Q. For instance, if you
10:42:10 23	found if a vice president was determined to be an
10:42:13 24	, would he or she necessarily

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

10:42:24 1	A. No. What what this chart illustrates is
10:42:28 2	what would be a reference for leaders to it's a
10:42:34 3	reference point to say that a
10:42:37 4	, but based on your assessment
10:42:41 5	of their performance, a
10:42:45	
10:42:50 7	
10:42:58 8	Q. Okay. So these this chart is all of
10:43:01 9	these numbers are purely reference points as opposed to
10:43:08 10	guidelines?
10:43:11 11	A. I consider a reference point and a guideline to
10:43:15 12	be the same.
10:43:18 13	Q. Okay. To the extent an employee receives an
10:43:32 14	annual grant, is there any formula by which the annual
10:43:37 15	grant is determined?
10:43:42 16	A. I don't believe there is a formula. It's the
10:43:46 17	leader the manager's assessment of their performance
10:43:49 18	and what would be appropriate for that individual
10:43:52 19	contributor
10:43:53 20	Q. Okay.
10:43:53 21	A or manager.
10:44:03 22	Q. If you turn to the page that's I want to say
10:44:07 23	it must be 7, if we were just looking at 5. At the
10:44:10 24	bottom it says 231APPLE100679. Can you tell me what is
10:44:27 25	reflected on this page of your of the materials you

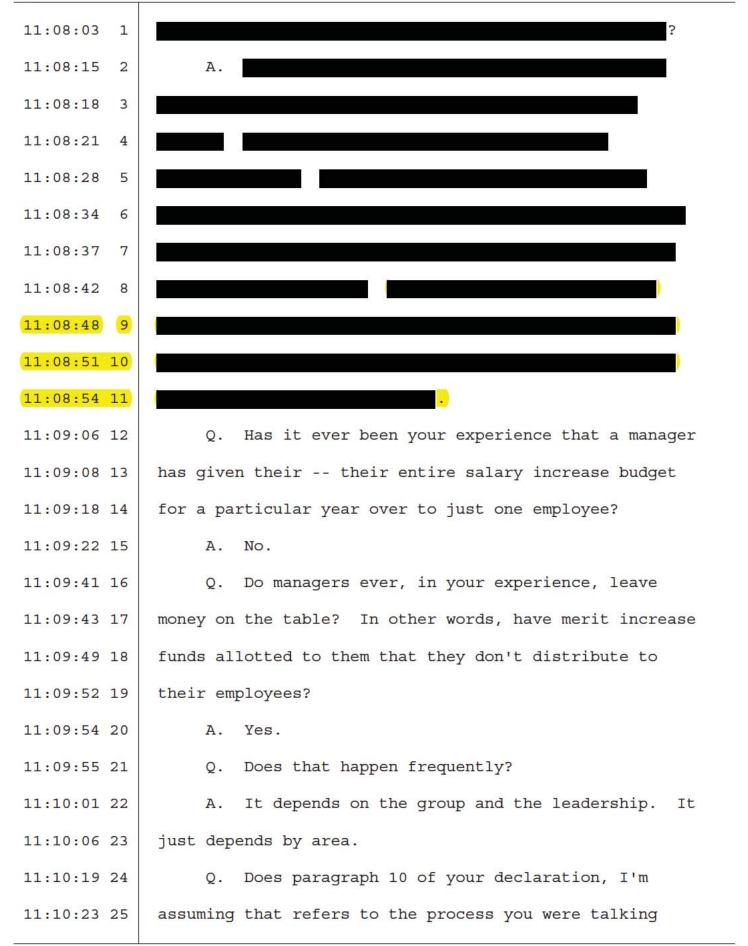
10:44:30 1	prepared for the compensation committee on August 5th,
10:44:32 2	2009?
10:44:38 3	A. It is a
10:44:43 4	which we use to determine an overall budget that the
10:44:48 5	company can then use to provide employees with merit
10:44:53 6	increases.
10:45:00 7	Q. The very last bullet it's actually a dash
10:45:07 8	rather than a bullet, states,
10:45:09 9	
10:45:11 10	
10:45:13 11	
10:45:17 12	. n
10:45:18 13	Do you see that?
10:45:19 14	A. Yes.
10:45:19 15	Q.
10:45:23 16	
10:45:28 17	A. (
10:45:33 18	Q. ?
10:45:39 19	A. The decision to give your one of your
10:45:45 20	employees a merit increase is based on a number of
10:45:48 21	factors that a leader might consider, performance being
10:45:51 22	one. And if an individual wasn't performing well, he or
10:45:57 23	she may not warrant a merit increase.
10:46:08 24	Q. Has there ever been an instance in your
10:46:10 25	experience at Apple where all U.S. employees' salaries

10:58:00 1	. и
10:58:05 2	Is that still true today?
10:58:18 3	A. Yes. We
10:58:22 4	
10:58:38 5	Q
10:58:46 6	
10:58:50 7	?
10:58:52 8	A
10:58:54 9	MR. RILEY: Object to the form.
10:59:01 10	MS. LEEBOVE: Q.
10:59:04 11	
10:59:15 12	?
10:59:23 13	MR. RILEY: Object to the form.
10:59:24 14	THE WITNESS: Can can you repeat the
10:59:48 15	question, please.
10:59:55 16	MS. LEEBOVE: Q. Let me see if I can ask
10:59:58 17	it differently.
11:00:03 18	
11:00:05 19	
11:00:11 20	?
11:00:13 21	MR. RILEY: Object to the form.
11:00:40 22	THE WITNESS: Apple it's by "Apple," your
11:00:43 23	statement Apple set salaries is very broad. Each
11:00:47 24	individual manager determines the compensation total
11:00:52 25	compensation based bonus, and stock award that an



11:03:08 1	as an employee's skill set and importance to the overall
11:03:11 2	success of the group."
11:03:21 3	Are individual employees' salaries, base
11:03:26 4	salaries, determined by reference to the salary range
11:03:31 5	associated with their positions?
11:03:36 6	MR. RILEY: Object to the form.
11:03:47 7	THE WITNESS: Are you asking I'm not sure,
11:03:51 8	yeah, what you're asking in that question.
11:03:56 9	MS. LEEBOVE: Q. Do Apple's managers
11:03:58 10	distribute salaries with reference to the salary
11:04:04 11	ranges for their employees' positions?
11:04:07 12	MR. RILEY: Object to the form.
11:04:11 13	THE WITNESS: Salaries are awarded based on the
11:04:15 14	individual's performance and the other factors as I have
11:04:18 15	listed. Our salary ranges are reference points.
11:04:22 16	They're they're not hard minimums or hard maximums.
11:04:30 17	Those are purely a reference point. But salaries are
11:04:34 18	truly determined based on an individual one-by-one
11:04:41 19	assessment of the individual.
11:04:46 20	MS. LEEBOVE: Q. Do you know how many
11:04:47 21	employees make less than the minimum salary range
11:04:54 22	of the minimum of the salary range set for their
11:04:56 23	position?
11:04:57 24	MR. RILEY: Object to the form.
11:05:02 25	THE WITNESS: I don't know the number, but

11:06:14 1	minimum reference point of their salary range for
11:06:16 2	their position?
11:06:17 3	MR. RILEY: Object to the form.
11:06:18 4	THE WITNESS: Again, I'd have to look at the
11:06:20 5	data to be able to answer that.
11:06:29 6	MS. LEEBOVE: Q. Do you know what
11:06:30 7	proportion of Apple employees make more than the
11:06:32 8	maximum reference point for their salary range?
11:06:37 9	A. I would have to look at the data. It would be
11:06:39 10	the same kind of evaluation as looking at the minimum.
11:06:47 11	Q. What purpose do the salary ranges serve if
11:06:51 12	managers don't have to adhere to them?
11:06:54 13	A. It's a manager they're a manager tool,
11:06:57 14)
11:07:02 15	. And it's purely a
11:07:08 16	reference point. The individual the individual could
11:07:13 17	be at minimum, below minimum, at maximum, above maximum
11:07:21 18	based on what he or she brings to the table and and
11:07:23 19	their performance, the importance of their group in the
11:07:27 20	overall company goals.
11:07:42 21	Q. Skipping further down into paragraph 7 at lines
11:07:46 22	15 to 17, you wrote, "
11:07:52 23	
11:07:56 24	· "
11:07:58 25	



11:20:55 1	could have additional criteria based on the role he or
11:20:59 2	she is trying to fill.
11:21:02 3	Q. Such as? What are some examples of additional
11:21:07 4	criteria that might help to a manager to determine an
11:21:10 5	employee's starting salary besides the four reference
11:21:13 6	points that are listed here?
11:21:15 7	A. You're looking at, is it a you know, it just
11:21:29 8	would depend by the manager. They would have their own
11:21:33 9	criteria that they would be looking at, what is
11:21:35 10	important to them.
11:21:43 11	Q. Have you ever heard of the term "internal
11:21:45 12	equity"?
11:21:49 13	A. I've in a compensation speak language, we
11:21:54 14	use the term "internal equity."
11:21:57 15	Q. What does it what does internal equity mean
11:21:59 16	to you in your compensation speak language?
11:22:05 17	A. Internal equity means, to me, that what you're
11:22:11 18	looking at, if you're looking at compensation, that it's
11:22:15 19	fair based on the individual's contribution relative to
11:22:21 20	the other employees in your group, or across your
11:22:26 21	organization, whatever your scope of management is.
11:22:35 22	Q. Is there an internal equity component to
11:22:40 23	determining starting salaries at Apple?
11:22:54 24	A. It internal equity plays into a few, if not
11:22:59 25	all, of these bullets for managers to consider when

11:23:04 1	looking at a candidate to determine a new starting
11:23:07 2	salary.
11:23:12 3	Q. Does internal equity factor into Apple's
11:23:25 4	compensation or does internal equity factor into a
11:23:29 5	salary adjustment made upon a promotion?
11:23:36 6	MR. RILEY: Object to the form.
11:23:42 7	THE WITNESS: Are you asking if a manager
11:23:44 8	considers
11:23:47 9	MS. LEEBOVE: Q. Well, I guess I'm asking
11:23:49 10	whether internal equity is a factor at Apple in
11:23:56 11	determining promotional increases.
11:23:59 12	MR. RILEY: Object to the form.
11:24:09 13	THE WITNESS: At Apple, each manager has the
11:24:11 14	latitude to determine what is appropriate to pay an
11:24:15 15	individual or to for promotional increase.
11:24:22 16	Internal equity may or may not factor into their
11:24:27 17	ultimate decision.
11:24:39 18	MS. LEEBOVE: Q. What does it mean here
11:24:41 19	and I'm looking at page 4, starting with "
11:24:46 20	
11:24:46 20 11:24:50 21	r
11:24:50 21	
11:24:50 21 11:24:53 22	. "

11:32:38 1	THE WITNESS: Are you asking if an employee in
11:32:39 2	the same job, same level, same geography are what?
11:32:53	MS. LEEBOVE: Q. Should be paid within the
11:32:53 4	same salary range.
11:32:55 5	MR. RILEY: Object to the form.
11:33:01 6	THE WITNESS: No, because our salary ranges are
11:33:04 7	reference points, and there could be reasons why an
11:33:06 8	individual is paid below the minimum or above the
11:33:12 9	maximum or within the first quartile and in the fourth
11:33:17 10	quartile. So the salary range is a reference for both,
11:33:22 11	but I wouldn't say that employees would ever necessarily
11:33:28 12	be tied to a strict range because we don't have a strict
11:33:35 13	range.
11:33:43 14	MS. LEEBOVE: Q. How do you determine
11:33:44 15	whether employees are in positions of equivalent
11:33:46 16	value for purposes of administering base salaries at
11:33:52 17	Apple?
11:33:54 18	MR. RILEY: Object to the form.
11:34:02 19	THE WITNESS: I don't determine employee
11:34:07 20	where employees are assigned jobs and levels. Managers
11:34:11 21	do.
11:34:13 22	MS. LEEBOVE: Q. How do you Kay Bond
11:34:33 23	who works for you, she's a senior compensation
11:34:36 24	manager; is that right?
11:34:37 25	A. Yes.

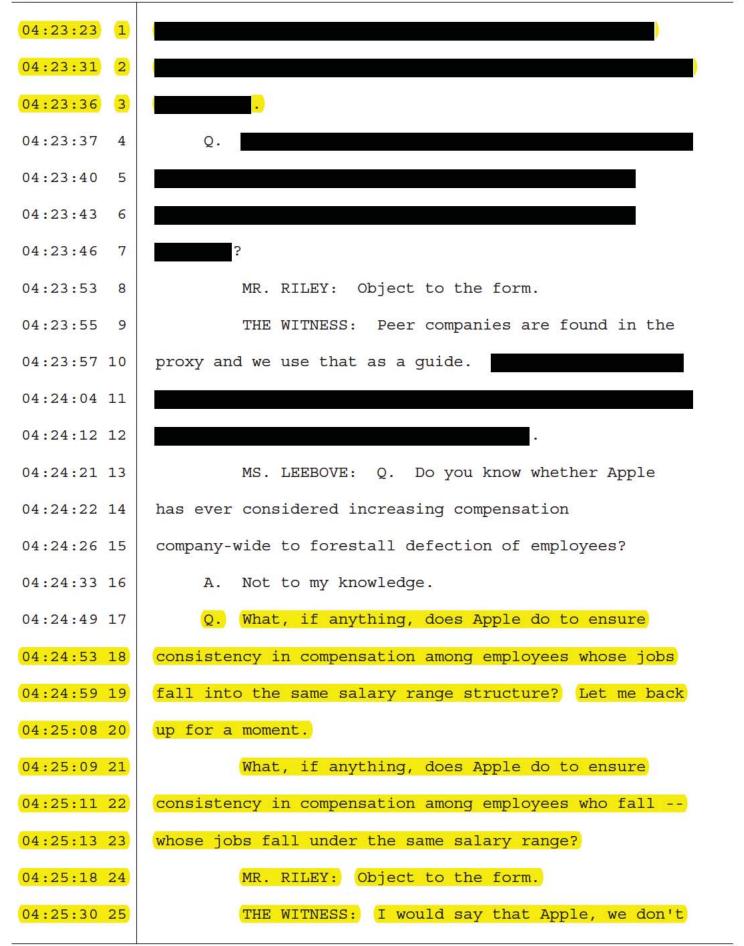
01:55:16 1	Q. And then in the grouping of columns underneath
01:55:19 2	the heading of "Base Salary," what do those headers and
01:55:27 3	numbers in that portion of the chart refer to?
01:55:35 4	A. First column, " is an
01:55:42 5	overall average of the employees' base salaries against
01:55:52 6	the well, the first column is purely the actual
01:55:55 7	Apple actual average salaries within each line of
01:56:00 8	business.
01:56:04 9	The second column, "SRP," means it's an
01:56:08 10	acronym for salary range position. Another way of
01:56:13 11	looking at it,
01:56:18 12	. So it's be so it's that SRP percentage
01:56:25 13	
01:56:31 14	
01:56:35 15	
01:56:39 16	•
01:56:45 17	
01:56:51 18	
01:56:56 19	
01:57:01 20	
01:57:08 21	•
01:57:10 22	Q.
01:57:14 23	?
01:57:15 24	A.
01:57:17 25	

03:02:35 1	MS. LEEBOVE: Q. Well, if there's a
03:02:37 2	salary if a if a manager has a group of
03:02:42 3	employees and pays each of his employees greater or
03:02:52 4	her employees greater than the maximum of their
03:02:58 5	respective salary ranges, does that create any sort
03:03:02 6	of compression problem around those salary ranges?
03:03:07 7	A. I don't see where there would be a compression
03:03:10 8	issue there.
03:03:11 9	Q. Okay. Is there any sort of issue that that
03:03:13 10	would create in terms of a compensation structure?
03:03:24 11	MR. RILEY: Objection to the form.
03:03:27 12	THE WITNESS: Issue to whom?
03:03:30 13	MS. LEEBOVE: Q. To Apple. Would it be
03:03:32 14	desirable to Apple if employees were paid higher
03:03:41 15	than the maximum of their of the salary ranges
03:03:47 16	that apply to their jobs?
03:03:53 17	A. I don't think it would be a problem at all if
03:03:55 18	it were appropriate and the managers could afford it in
03:04:03 19	their budget.
03:04:04 20	Q. Would there be a salary structure at all if
03:04:06 21	employees were paid outside of their salary ranges?
03:04:11 22	A. Yes.
03:04:13 23	Q. Would it have any effect? Would it be an
03:04:16 24	effective salary structure if nobody abided by the
03:04:21 25	salary ranges?

03:04:23	A. Salary ranges are not hard rules. They're
03:04:26 2	reference points. So I would still always want to have
03:04:31	that reference point to determine how I'm paying my
03:04:34 4	individuals individually and in aggregate.
03:04:51 5	Q. I guess what I'm trying to understand is that
03:04:54 6	if managers don't set salaries around those reference
03:05:05	points, what's the point of doing all of this work to
03:05:09 8	determine what the reference points are if they don't
03:05:14 9	matter in terms of setting individual employees'
03:05:21 10	salaries?
03:05:22 11	MR. RILEY: Objection to the form.
03:05:23 12	THE WITNESS: That sounds like multiple
03:05:24 13	questions here or a statement.
03:05:29 14	MS. LEEBOVE: Q. If the reference points
03:05:32 15	don't matter in terms of setting individual's
03:05:38 16	salaries well, is your testimony that the
03:05:40 17	reference that reference points don't matter in
03:05:44 18	setting individual salaries?
03:05:47 19	A. No.
03:05:50 20	Q. Is it your testimony that managers are free to
03:05:53 21	ignore those reference points in setting their
03:05:56 22	employees' salaries?
03:06:02 23	A. Free to ignore. No, it's it's a reference
03:06:04 24	point. It should be one factor in their decision-making
03:06:07 25	process of

03:06:09 1	. But then they have to also balance
03:06:14 2	the importance of the role, the individual, their
03:06:17 3	success, track record, education, experience.
03:06:26 4	Q. And those things the role, the individual,
03:06:29 5	their success, their track record, their education, and
03:06:32 6	their experience is it your understanding that those
03:06:36 7	factors factor into the base salary determination for a
03:06:41 8	particular employee?
03:06:44 9	A. Every manager should and does consider many
03:06:50 10	things about the individual and of the compensation
03:06:57 11	our compensation program to determine where the
03:06:59 12	appropriate salary would be for this individual.
03:07:12 13	Q. What do you understand to be the role of the
03:07:13 14	of a base salary in Apple's compensation structure?
03:07:23 15	A. I'm trying to understand what you mean by "the
03:07:26 16	role of a base salary."
03:07:28 17	Q. Well, what's the purpose of paying an employee
03:07:30 18	a base salary?
03:07:34 19	A. In the 30 years I've been doing this, you
03:07:36 20	really have three basic levers of compensation: base
03:07:42 21	salary, bonus and stock. And not all are used with
03:07:46 22	every job and in every individual. So a base salary,
03:07:51 23	it's just a very common practice. And every most all
03:07:58 24	companies have base salary programs.
03:08:05 25	Q. Would you agree with the statement that base

04:21:05 1	MR. RILEY: Objection to the form.
04:21:18 2	THE WITNESS: Everyone at Apple is basically a
04:21:21 3	high performer just to survive, so anyone receiving a
04:21:32 4	compensation adjustment would would bring some value
04:21:36 5	to the organization.
04:21:50 6	MS. LEEBOVE: Q. Do you know
04:21:51 7	
04:21:57 8	?
04:21:57 9	A.
04:22:01 10	
04:22:13 11	
04:22:18 12	
04:22:22 13	
04:22:25 14	
04:22:33 15	
04:22:37 16	•
04:22:45 17	Q. I see. I think.
04:22:47 18	
04:22:51 19	?
04:22:56 20	A.
04:23:00 21	Q.
04:23:04 22	
04:23:12 23	A.
04:23:15 24	
04:23:19 25	



04:25:32 1	try to control consistency, that we look at the
04:25:36 2	individual's merit, scope of responsibility,
04:25:40 3	achievements, background, and they're always individual
04:25:45 4	decisions with market reference just being one
04:25:49 5	additional factor to consider.
04:25:56 6	MS. LEEBOVE: Q. Do you think that leaves
04:25:59 7	Apple vulnerable to discrimination claims if there
04:26:03 8	isn't consistency or formality in determining what
04:26:09 9	an employee's salary will be?
04:26:20 10	MR. RILEY: Object to the form.
04:26:21 11	THE WITNESS: Not sure what could
04:26:22 12	MS. LEEBOVE: Q. Well
04:26:22 13	A prompt a discrimination claim.
04:26:24 14	Q. Sorry?
04:26:24 15	A. I'm not sure what could prompt a discrimination
04:26:26 16	claim.
04:26:27 17	Q. For instance, if there is a female software
04:26:32 18	engineer,
04:26:41 19	?
04:26:43 20	A. Yes.
04:26:43 21	Q. Okay.
04:26:46 22	, if all things
04:26:55 23	being equal, does Apple do anything, let's say, to
04:26:58 24	ensure that women and men who hold the same jobs are
04:27:04 25	compensated alike in order to prevent potentially a

1	I, Gina V. Carbone, Certified Shorthand
2	Reporter licensed in the State of California, License
3	No. 8249, hereby certify that the deponent was by me
4	first duly sworn and the foregoing testimony was
5	reported by me and was thereafter transcribed with
6	computer-aided transcription; that the foregoing is a
7	full, complete, and true record of said proceedings.
8	I further certify that I am not of counsel or
9	attorney for either of any of the parties in the
10	foregoing proceeding and caption named or in any way
11	interested in the outcome of the cause in said caption.
12	The dismantling, unsealing, or unbinding of
13	the original transcript will render the reporter's
14	certificates null and void.
15	In witness whereof, I have hereunto set my
16	hand this day: March 27, 2013.
17	Reading and Signing was requested.
18	Reading and Signing was waived.
19	X Reading and signing was not requested.
20	
21	
22	
23	GINA V. CARBONE
24	CSR 8249, CRR, CCRR
25	

In Re: High-Tech Employee Antitrust Litigation

United States District Court, Northern District of California – San Jose Division Case No. 11-CV-2509-LHK

Deposition Errata Sheet

Steven Burmeister March 15, 2013

Deposition Page #	Line#	Currently Reads	Change To Read As	Reason for Change
9	12	One —	No.	Clarify the record
20	6	overview in the design	oversight in the design	Clarify the record
25	2	That's legal.	That's the legal department.	Clarify the record
35	13-15	Ms. Lambert is familiar, having been a recruiter prior to being vice president of human resources.	Ms. Lambert is familiar with recruiting, having been a recruiter prior to being Vice President of Human Resources.	Clarify the record
39	19-20	That's a very arbitrary guess.	That's a very arbitrary time estimate.	Clarify the record
41	2	The proposed FY – fiscal year '10	The proposed fiscal year '10	Clarify the record
42	13-15	Vice — VP is vice president. SDIR is director. DI — sorry, senior director. DIR is director.	VP is vice president. SDIR is senior director. DIR is director.	Clarify the record
53	3	Yes. We — and by "salary ranges," I mean	Yes. And by "salary ranges," I mean	Clarify the record
60	7-9	This is the document we used to communicate and roll out the — our new compensation — globally consistent compensation approach.	This is the document we used to communicate and roll out our new globally consistent compensation approach.	Clarify the record
62	1	see — and, again, just one of the factors, to see	see — and again, just one of the factors — to see	Transcription error
64	15	individual — or to — for promotional increase	individual for promotional increase	Clarify the record
68	3	Yeah. So can you ask	Can you ask	Clarify the record
71	20-22	We train managers that's equalize and normalize, and we never do that.	We train managers that's "equalize and normalize," and we never do that.	Clarify the record
73	17	Yeah. There is a lot of	There is a lot of	Clarify the record

74	8-9	that individual's transfer, not consistent in pay levels or bonuses.	that individual's transfer. I don't mean consistent in terms of pay levels or bonuses.	Clarify the record
85	17	a salaried employee to.	a salaried employee to a job grade.	Clarify the record
85	25	would slide it into	would slot it into	Transcription error
93	19-20	Do I need him to go to Austin? Very — it could have	Do I need him to go to Austin? It could have	Transcription error
94-95	25-1	Yeah, I'm not sure I follow the question.	I'm not sure I follow the question.	Clarify the record
97	11-13	and I don't think it is at Apple with anyone. It's the minimum; therefore I have to be there. It's purely a reference point	and I don't think it is at Apple with anyone, "It's the minimum; therefore I have to be there." It's purely a reference point	Transcription error
100	17-18	It looks to be a recap of competitive — rather, compensation analysis	It looks to be a recap of compensation analysis	Clarify the record
101	18	Yeah, in my — can you be more	Can you be more	Clarify the record
106	17-22			Clarify the record
108	12	— of the individuals, seventy — incumbents	— of the individuals, 776 incumbents	Clarify the record
120	15	not necessarily employees' jobs.	not necessarily technical employees' jobs.	Clarify the record
122	14	The only different is	The only difference is	Transcription error
124	13-14	Yeah. That's broad. And no, it's — that's too broad of a statement.	That's too broad of a statement.	Clarify the record
127	13-14			Clarify the record

130	15	swear	square	Transcription error
135	24	Yeah. Compression issue as	Compression issue as	Clarify the record
137	23	Free to ignore. No	Free to ignore? No	Transcription error
178	19-20	in every compensation — proposed compensation action.	in every proposed compensation action.	Clarify the record
180	14-15	Yeah. It would — it would depend on the area	It would depend on the area	Clarify the record

Dated: May 15, 2013

Steven Burmeister

Name of case:

In re: High-Tech Employee Antitrust Litigation

Case No. 11-CV-2509-LHK (N.D. Cal.)

Date of deposition:

March 15, 2013

Name of witness:

Steven Burmeister

DECLARATION UNDER PENALTY OF PERJURY

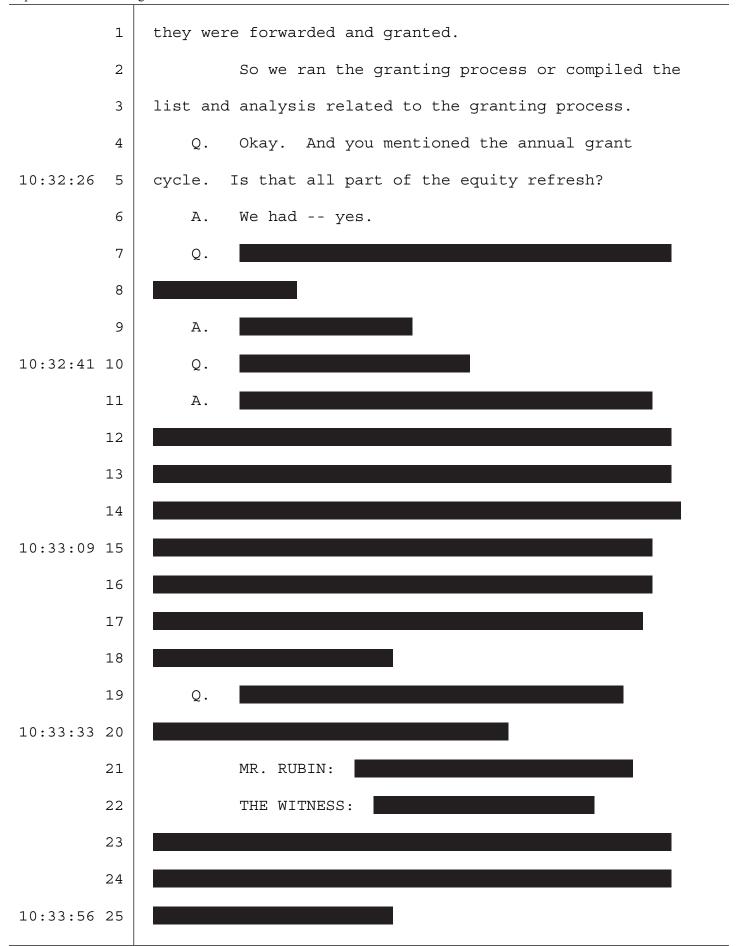
I hereby certify that I read the foregoing deposition, and that the transcription together with any corrections noted on the Deposition Errata Sheet hereof, with the understanding that I offer these changes as if still under oath, is a true and accurate record of my testimony given at the time and place noted.

Signed on the 15 day of May, 2013.

Steven Burmeister

Exhibit 3

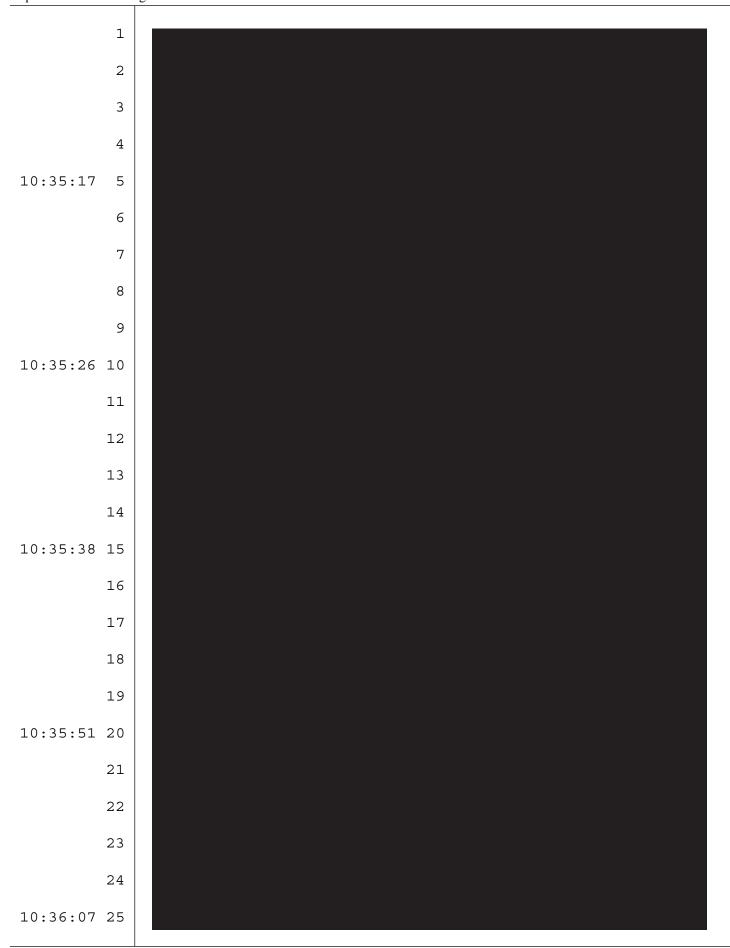
1	UNITED STATES DISTRICT COURT
2	NORTHERN DISTRICT OF CALIFORNIA
3	SAN JOSE DIVISION
4	
5	IN RE: HIGH-TECH EMPLOYEE)
6	ANTITRUST LITIGATION)
7) No. 11-CV-2509-LHK
8	THIS DOCUMENT RELATES TO:)
9	ALL ACTIONS.
10	
11	
12	VIDEO DEPOSITION OF FRANK WAGNER
13	HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY
14	March 7, 2013
15	
16	Reported by: Anne Torreano, CSR No. 10520
17	
18	
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25	



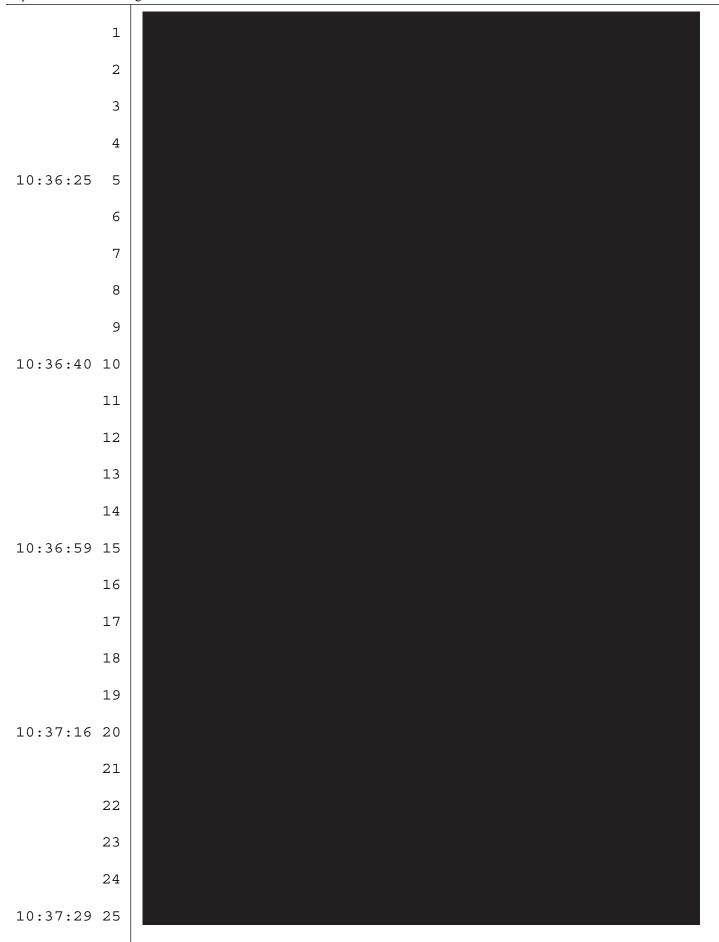
Deposition of Frank Wagner In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION 1 2 3 4 10:34:13 5 6 7 BY MS. DERMODY: 8 Q. 10:34:23 10 Α. 11 12 Q. 13 Α. 14 10:34:39 15 Q. 16 A. 17 18 19 10:34:50 20 21 22 23 24

10:35:04 25

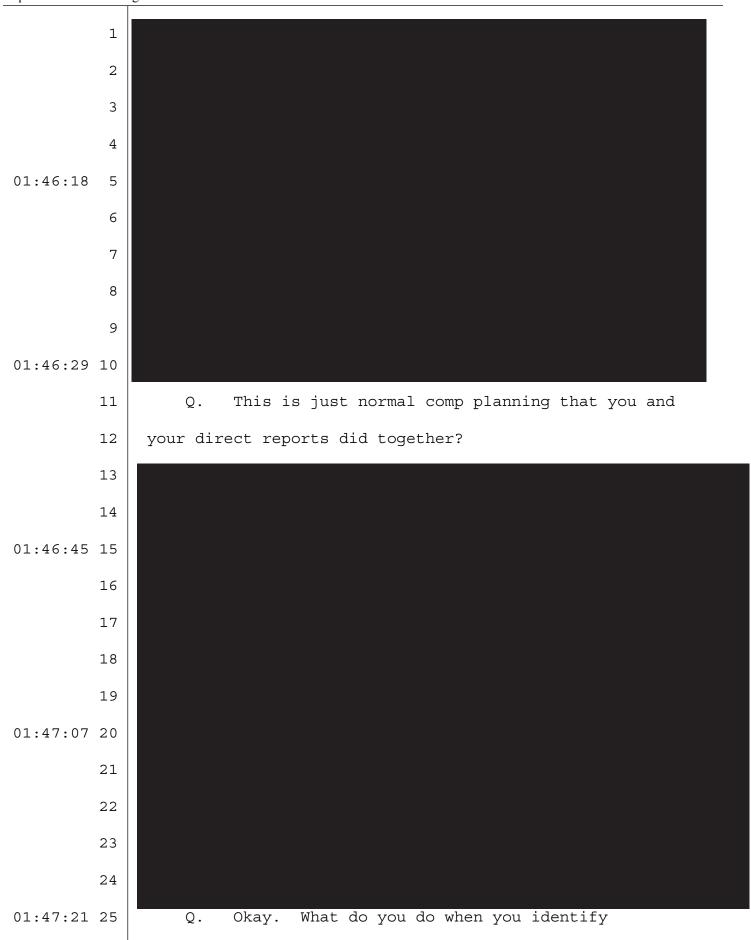
Deposition of Frank Wagner



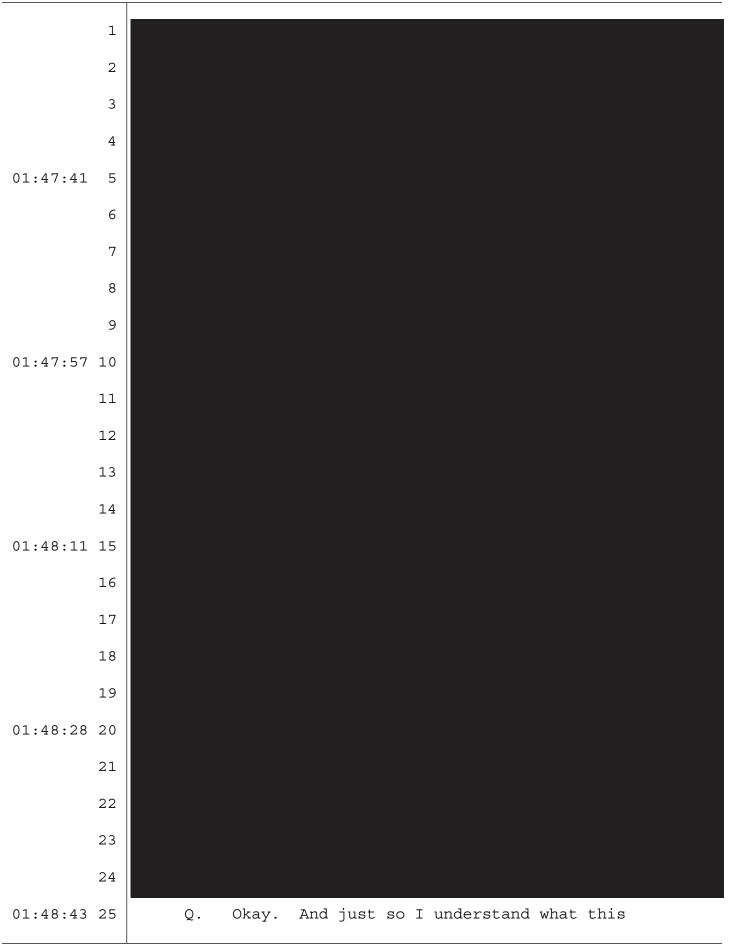
Deposition of Frank Wagner

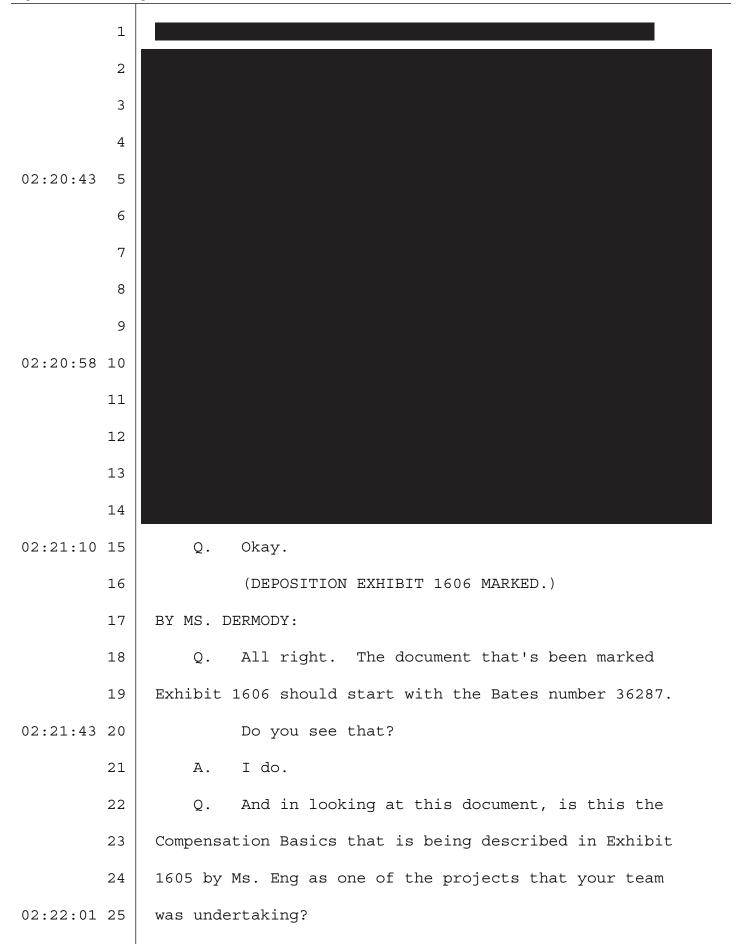


1 getting into confidential business discussions, designate the transcript under the protective order as 2 highly confidential, attorneys' eyes only. 3 MS. DERMODY: Okay. 4 BY MS. DERMODY: 10:52:10 5 In terms of the periodic reporting, what do 6 Q. 7 you recall being reported about the compensation philosophy of the company? 8 9 MR. RUBIN: Objection. Vague. 10:52:26 10 THE WITNESS: Do you mean in 2007 or 2008 11 or ... 12 BY MS. DERMODY: Let's start with 2007, sure. And this is what 13 Q. 14 you had described as a periodic report to the LDCC. 10:52:36 15 A. Right. 16 17 18 19 10:53:00 20 21 22 23 24 10:53:18 25



Deposition of Frank Wagner





04:03:32

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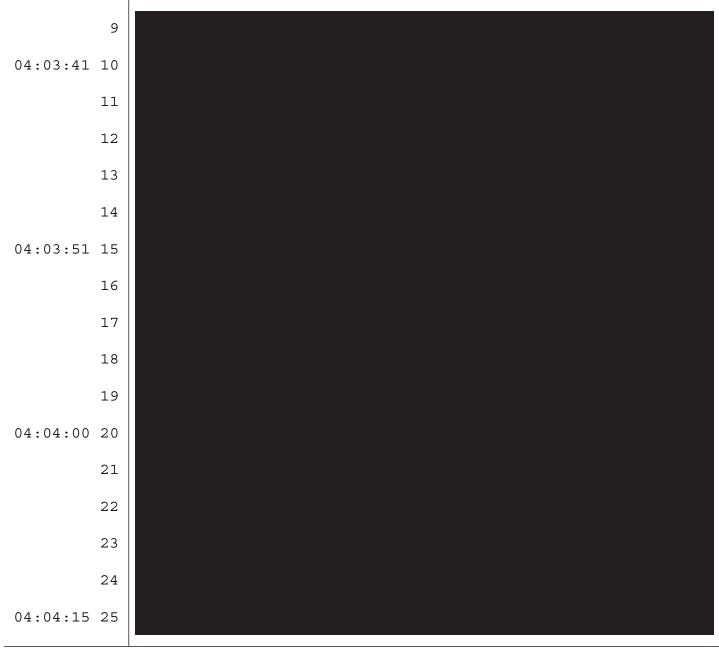
8

forth from our internal communication team to change the language to make it more Googley, have the right internal Google voice.

Q. And on page 474902 of this exhibit, you'll see in the middle of the page, "Considerations For Salary Planning."

Do you see that?

A. Yes.



```
1
                       MR. RUBIN:
                                    Objection. Lacks foundation.
                       THE WITNESS: So to whom was this aimed at?
          2
              Is that what you mean?
          3
          4
                       MS. DERMODY: Yes, exactly.
                       THE WITNESS: It would be the people who are
04:04:25
          5
          6
              planning.
          7
              BY MS. DERMODY:
                       And what titles would those people have?
          8
                  Q.
          9
                  Α.
                       Managers, directors.
04:04:36 10
                  Q.
                       And would that be across the company?
         11
         12
         13
         14
04:04:47 15
         16
         17
         18
         19
04:04:59 20
         21
                       And "G&A" you've used a couple of times.
         22
         23
              is -- does that have a longer name that's an acronym
              for?
         24
04:05:10 25
                       It does. Yes, G&A. It's G ampersand A.
                  Α.
```

Τ	REPORTER'S CERTIFICATE
2	I, Anne Torreano, Certified Shorthand Reporter
3	licensed in the State of California, License No. 10520,
4	hereby certify that the deponent was by me first duly
5	sworn, and the foregoing testimony was reported by me
6	and was thereafter transcribed with computer-aided
7	transcription; that the foregoing is a full, complete,
8	and true record of said proceedings.
9	I further certify that I am not of counsel or
10	attorney for either or any of the parties in the
11	foregoing proceeding and caption named or in any way
12	interested in the outcome of the cause in said caption.
13	The dismantling, unsealing, or unbinding of
14	the original transcript will render the reporter's
15	certificates null and void.
16	In witness whereof, I have subscribed my name
17	this 18th day of March, 2013.
18	
19	[] Reading and Signing was requested.
20	[] Reading and Signing was waived.
21	[X] Reading and Signing was not requested.
22	
23	
24	
25	ANNE M. TORREANO, CSR No. 10520

Page:Line	Amendment	Reason for Amendment
17:10	Replace: "Northrup"	correction to transcript error
	With: "Northrop"	
31:16	Delete: "per—"	correction to transcript error
38:4	Replace: "programs"	correction to transcript error
	With: "program"	1
52:20-21	Replace: "general administrative types of roles. For example, finance, People Operations, communications."	correction to transcript error
	With: "General & Administrative types of roles. For example, Finance, People Operations, Communications."	
56:5	Replace: "topical"	correction to transcript error
	With: "type of"	1
60:24	Replace: "end"	correction to transcript error
	With: "n"	transcript error
61:1	Replace: "request"	correction to transcript error
	With: "requests"	wansempt error
69:23	Replace: "time finite"	correction to transcript error
	With: "finite time"	transcript ciroi
72:20	Replace: "forms"	correction to transcript error

Page:Line	Amendment	Reason for Amendment
	With: "forums"	
78:5	Replace: "Art and Art"	correction to transcript error
	With: "Art who"	
83:24	Replace: "was"	correction to transcript error
	With: "is"	
85:18	Replace: "2000"	correction to transcript error
	With: "2009"	1
86:12	Replace: "Sun"	correction to transcript error
	With: "Sen"	1
89:10	Replace: "Yes."	correction and clarification
	With: "Until 2011."	
93:13	Replace: "finance"	correction to transcript error
	With: "Finance"	T. T. T.
99:16	Replace: "although in 2000 this is for 2008"	correction and clarification
	With: "this is for 2008"	
100:11	Insert "multiplier" after 1.62	correction and clarification

Page:Line	Amendment	Reason for Amendment
102:9	Replace: "And so that individual who had that 15" With: "And so that individual who had the bonus"	correction to transcript error
108:15-17	Replace: " With: "t	correction to transcript error
110:21	Replace: "is other location" With: "is the other location"	correction to transcript error
118:16	Replace: "international" With: "internationally"	correction to transcript error
124:1	Replace: "hundred, two hundred" With: "one hundred to two hundred"	correction to transcript error
125:1	Replace: "anybody come" With: "anyone who came"	correction to transcript error
130:21	Delete: "un to"	correction to transcript error
139:13	Replace: "the barter compare" With: "the peer comparator"	correction to transcript error
141:3	Replace: "2 RVP"	correction to transcript error

Page:Line	Amendment	Reason for Amendment
	With: "to our VP"	
146:15	Replace: "provider"	correction to transcript error
	With: "target"	
146:18	Replace: "sales"	correction to transcript error
	With: "Sales"	1
146:22	Replace: "Glen"	correction and clarification
	With: "Glen Elliott"	
147:10-11	Replace: "comp international at Google. So those are the people like Barun Sun"	correction to transcript error
	With: "Comp International at Google. So those are the people like Barun Sen"	
148:25	Replace: "fall 2000"	correction to transcript error
	With: "fall 2007"	The second secon
166:25	Replace: "trying get to"	correction to transcript error
	With: "trying to get to"	1
167:6-7	Replace: "In the same time decrease the number of companies in the pool."	correction to transcript error
	With: "At the same time decrease the number of companies in the pool."	
167:11-12	Replace: I recall we gave equity at of the competing companies.	correction to transcript error

Page:Line	Amendment	Reason for Amendment
	With: "I recall we gave equity at competing companies." [add quotations]	
176:19	Replace: "to do"	correction to transcript error
	With: "to view"	
177:13	Delete: "intern "	correction to transcript error
186:1-2	Replace: "General and administration functions. So those would be the functions of People Operations, finance, legal"	correction to transcript error
	With: "General and Administration functions. So those would be the functions of People Operations, Finance, Legal"	
187:14	Replace: "2000"	correction to transcript error
	With: "2009"	
197:23	Replace: "cash bonus"	correction and clarification
	With: "cash"	
206:6	Replace: "on Mr. Bock."	correction and clarification
	With: ", only Mr. Bock."	
218:16	Replace: "comp position"	correction to transcript error
	With: "composition"	transcript error
222:18	Replace: "effected"	correction to transcript error
	With: "effective"	Tanotipi onoi

CORRECTIONS TO DEPOSITION TRANSCRIPT OF FRANK WAGNER, DATED MARCH 7, 2013

In re High-Tech Employee Antitrust Litigation Case No. 11-CV-2509-LHK (N.D. Cal.)

Subject to the above changes, I certify that the transcript is true and correct.

Signature

Date

Exhibit 4

1	UNITED STATES DISTRICT COURT
2	NORTHERN DISTRICT OF CALIFORNIA
3	SAN JOSE DIVISION
4	
5	
6	IN RE: HIGH-TECH EMPLOYEE)
7	ANTITRUST LITIGATION)
8) No. 11-CV-2509-LHK
9	THIS DOCUMENT RELATES TO:)
10	ALL ACTIONS.
11)
12	
13	
14	CONFIDENTIAL
15	VIDEO DEPOSITION OF STEPHANIE SHEEHY
16	March 5, 2013
17	
18	
19	REPORTED BY: GINA V. CARBONE, CSR NO. 8249, RPR, CCRR
20	
21	
22	
23	
24	
25	

11:54:16 1	few salary planners who determined salary for the
11:54:23 2	technical development tools team, and he was the person
11:54:29 3	who oversaw the entire group. And this is a summary of
11:54:33 4	what all of the salary planners did.
11:54:46 5	Q. What's a salary planner?
11:54:48 6	A. A salary planner, you could see column D. A
11:54:54 7	salary planner is the person who was responsible for
11:54:58 8	determining the salary increases for certain
11:55:01 9	individuals.
11:55:12 10	Q. How does a salary planner decide what the
11:55:16 11	salary increase is for a specific individual?
11:55:21 12	A. I you would have to ask each of them
11:55:24 13	individually how they decided the increases for each of
11:55:29 14	these people.
11:55:30 15	Q. As the person in charge of compensation for the
11:55:34 16	HR department, what's your understanding of how the
11:55:36 17	salary planners decide the salary increases for
11:55:40 18	employees?
11:55:47 19	A. I'm sorry, say that again, please.
11:55:50 20	Q. As the person in charge of compensation for the
11:55:52 21	HR department, what's your understanding of how the
11:55:55 22	salary planners decide the salary increases for
11:55:58 23	employees?
11:56:02 24	A. They are given a salary pool, and they spend

11:56:06 25

that pool on their employees, how they see fit, with the

11:56:19 1	guideline that a solid performing individual would
11:56:23 2	receive percent. I think I wrote that on page 1.
11:56:34 3	(Reporter clarification.)
11:56:36 4	THE WITNESS: Yes. That's what it says on
11:56:36 5	page 1.
11:56:37 6	So the guideline I gave them, when I gave them
11:56:39 7	a salary pool, was that employees performing solidly and
11:56:45 8	well would receive a percent increase. And then from
11:56:59 9	there, they determine on a person-by-person,
11:57:02 10	case-by-case basis. But the guideline is a guideline.
11:57:12 11	MS. CISNEROS: Q. Generally, are the
11:57:14 12	salary increases within the guidelines?
11:57:18 13	MS. HENN: Objection. Vague.
11:57:27 14	THE WITNESS: Could you be more specific,
11:57:28 15	please.
11:57:46 16	MS. CISNEROS: Q. You testified that the
11:57:48 17	guideline is that a solid performing individual
11:57:51 18	would receive percent. Generally, is it true,
11:58:00 19	then, that most solid performing individuals would
11:58:02 20	receive a percent salary increase?
11:58:08 21	A. Usually, yes.
11:58:25 22	Q. What would happen if a salary planner wanted to
11:58:28 23	give a higher level salary increase? How would that
11:58:34 24	planner go about doing so?
11:58:37 25	A. They would put it into this spreadsheet.

3

01:13:34

- 01:13:29 1 Q. You testified that "we submit our data at 01:13:32 2 certain points during the year."
 - A. Yes.
- 01:13:36 4 Q. To whom?
- O1:13:41 5 A. To the Croner company and to the Radford
 O1:13:43 6 company. Actually, I think it's Aon is the Radford
 O1:13:45 7 company. The Croner company is the Croner survey, but I
 O1:13:49 8 think it's Aon is the company that does Radford.
- 01:13:55 9

Q.

- 01:14:26 17
- 01:14:29 18
- 01:14:34 19
- 01:14:38 20
- 01:14:42 21
- 01:14:48 22
- 01:14:53 23
- 01:15:51 24
- 01:15:55 25

- Q. Are there any other factors that you consider in setting the minimum or the maximum range besides the survey data?
- A. For the matchable jobs, we use that -- the min and the max as our guideline. So with the external data, that's mostly what we use to guide us in our decision making.
- Q. You testified that you look at where employees presently are in their salaries with respect to landing

04:14:22 1	A we call it a ranking system.
04:14:23 2	Q. Okay.
04:14:24 3	A. But it's much closer to the rating description
04:14:26 4	that you just described.
04:14:27 5	Q. Okay. So again let's maybe try for 2007.
04:14:37 6	A. Okay.
04:14:37 7	Q. Maybe it's easier to remember that year.
04:14:39 8	A. Okay.
04:14:40 9	Q. How did it happen that year?
04:14:41 10	A. I believe the APs went to the leadership of
04:14:46 11	each of their respective groups, collected rating
04:14:50 12	information, and then we have a rating for each person.
04:14:55 13	Q. What was done with the rating for each person?
04:15:00 14	A. Nothing specifically was done. It was more
04:15:03 15	informational than anything. Although those people who
04:15:07 16	were struggling or were underperforming, we would go
04:15:14 17	talk to their managers some more and figure out if they
04:15:18 18	should be on a PIP or what we should do to help them no
04:15:25 19	longer be struggling or underperforming.
04:15:36 20	Q. Did the ratings how did the ratings factor
04:15:39 21	into compensation, if at all?
04:15:44 22	A. They factored in a little, in that most of our
04:15:51 23	employees got the standard percent. Those people who
04:15:58 24	were at the high end, we would use some of our extra
04:16:01 25	pool, the pool we set aside for those people. And the

04:16:43 9

04:16:48 10

04:16:52 11

04:16:58 12

04:17:01 13

04:17:05 14

04:17:14 15

04:17:17 16

04:17:21 17

04:17:25 18

04:17:29 19

04:17:34 20

04:17:37 21

04:17:46 22

04:17:51 23

04:17:56 24

1 '	L	
04:16:04	1	people who were struggling, we would probably not
04:16:08	2	necessarily give percent to, all the way down to
04:16:11	3	perhaps not giving any increase.
04:16:17	4	Q. Was it a pre excuse me. Was it a
04:16:21	5	prerequisite to achieve a certain rating in order to
04:16:25	6	qualify to go above the standard 3 percent salary raise?
04:16:32	7	A. No.
04:16:35	8	Q. So did some salary planners rely on ratings to

- make the determination of whether or not somebody would get a surplus raise?
- A. I believe it informed to some degree, but I believe there were many other factors taken into account.
 - O. What other factors?
- A. If you had someone with a high rating who was at the high end of the range that we defined during that year from the survey data, then we might not give that person more than percent because they were already being compensated at the high end. Our ranges are truly guidelines. But that would be a reason why we wouldn't make that person -- give that person the surplus.
- Q. Are there any guidelines given to the raters to help with their decision-making process?
 - A. Not that I'm aware of, no.
 - Q. Okay. So there is the rating system, but HR

KRAMM COURT REPORTING

INSTRUCTIONS FOR READING/CORRECTING YOUR DEPOSITION

To assist you in making corrections to your deposition testimony, please follow the directions below. If additional pages are necessary, please furnish them and attach the pages to the back of the errata sheet.

This is the final version of your deposition transcript.

Please read it carefully. If you find any errors or changes you wish to make, insert the corrections on the errata sheet beside the page and line numbers.

Do NOT change any of the questions.

After completing your review, please sign the last page of the errata sheet, above the designated "Signature" line and return the transcript to your attorney.

ERRATA SHEET

Witness:		Stephanie Sheehy	Date of Deposition:	March 5, 2013
Page	Line			
30	17	Change:	"she leaves" to "her	leave"
		Reason:	correction	
31	20	Change:	"Apple" to "employee	e"
		Reason:	correction	
46	6	Change:	"a" to "any"	
		Reason:	correction	
50	18	Change:	"administer" to "adm	ninistered"
		Reason:	correction	
51	23	Change:	"that" to "out"	
		Reason:	correction	
89	6	Change:	Delete "it's"	
		Reason:	correction	
89	8	Change:	Delete "it's"	
		Reason:	correction	

89	13	Change:	core tiles to quartiles
		Reason:	transcription error
89	14	Change:	core tiles to quartiles
		Reason:	transcription error
90	6	Change:	"on" to "in"
		Reason:	correction
95	24	Change:	Delete "more"
		Reason:	correction
99	24	Change:	"is" to "are"
		Reason:	correction
100	20	Change:	"is" to "was"
		Reason:	correction
106	8	Change:	MENVE to MENV
		Reason:	misspelling
133	13	Change:	"Lassiter" to "Lasseter"
		Reason:	misspelling
133	17	Change:	"Lassiter" to "Lasseter"
		Reason:	misspelling
136	2	Change:	"is" to "are"
		Reason:	correction
210	22	Change:	Delete "that is"
		Reason:	Correction
210	24	Change:	Delete "do"
		Reason:	Correction

Case 5:11-cv-02509-LHK Document 446-1 Filed 06/22/13 Page 79 of 84

	_ Subject to the above changes,	. I certify that the transcript is tru	e and correct.
	_ No changes have been made.	I certify that the transcript is tru	ue and correct.
Steph	anie Shedry	4/1	2013

1	I, Gina V. Carbone, Certified Shorthand
2	Reporter licensed in the State of California, License
3	No. 8249, hereby certify that the deponent was by me
4	first duly sworn and the foregoing testimony was
5	reported by me and was thereafter transcribed with
6	computer-aided transcription; that the foregoing is a
7	full, complete, and true record of said proceedings.
8	I further certify that I am not of counsel or
9	attorney for either of any of the parties in the
10	foregoing proceeding and caption named or in any way
11	interested in the outcome of the cause in said caption.
12	The dismantling, unsealing, or unbinding of
13	the original transcript will render the reporter's
14	certificates null and void.
15	In witness whereof, I have hereunto set my
16	hand this day: March 15, 2013.
17	X Reading and Signing was requested.
18	Reading and Signing was waived.
19	Reading and signing was not requested.
20	
21	
22	
23	GINA V. CARBONE
24	CSR 8249, CRR, CCRR
25	

Exhibit 5

UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA SAN JOSE DIVISION

IN RE: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION No. 11-CV-2509-LHK THIS DOCUMENT RELATES TO: ALL ACTIONS.

> VIDEO DEPOSITION OF MICHELLE MAUPIN February 12, 2013

REPORTED BY: GINA V. CARBONE, CSR NO. 8249, RPR, CCRR





2224 third avenue, san diego, california 92101

800.939.0080 619.239.0206 telephone facsimile

web



(...)

0

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(3)

Do you expect that you will make the same

Objection.

Vague.

salary every year from this point until you decide to

leave the company?

MS. SESSIONS:

10:04:13 22

10:04:16 23

10:04:21 24

10:04:24 25

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Deposition of inferiore	mile. Most Peril Miles I Peril
10:04:32 1	THE WITNESS: Hopefully not.
10:04:35 2	MS. LEEBOVE: Q. Do you expect that if you
10:04:36 3	stay with the company your salary would increase?
10:04:40 4	A. Potentially.
10:04:43 5	Q. What would cause your salary to increase if you
10:04:46 6	were to stay with the company?
10:04:47 7	MS. SESSIONS: Objection. Vague. Calls for
10:04:50 8	speculation.
10:04:56 9	THE WITNESS: If you're asking what I can't
10:04:59 10	answer it that exactly, but hypothetically, it would be
10:05:04 11	based on my contributions and performance.
10:05:23 12	MS. LEEBOVE: Q. Is there a salary range
10:05:24 13	associated with your salary grade?
10:05:25 14	A. Yes.
10:05:35 15	Q. Does your current salary fall within the salary
10:05:38 16	range assigned to grade
10:05:44 17	A. Yes.
10:05:45 18	Q. What is the salary range for grade
10:05:48 19	A. I'm not going to be able to recall the exact
10:05:50 20	numbers.
10:05:55 21	Q. Can you tell me the approximate salary range
10:05:57 22	for grade
10:06:00 23	A. I believe the midpoint, which is what is around
10:06:05 24	The low would probably be around and the high
10:06:12 25	would probably be around